

**REGULAR MEETING**  
**of the**  
**CITY OF RIALTO**  
**CITY COUNCIL/REDEVELOPMENT AGENCY**  
**RIALTO HOUSING AUTHORITY**  
**RIALTO UTILITY AUTHORITY**

**MINUTES**  
**June 23, 2009**

A regular meeting of the City Council/Redevelopment Agency of the City of Rialto was held in the City Council Chambers located at 150 South Palm Avenue, Rialto, California 92376, on Tuesday June 23, 2009.

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This meeting was called by the presiding officer of the Rialto City Council in accordance with the provisions of **Government Code §54956** of the State of California.

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**CALL TO ORDER**

Mayor Vargas called the meeting to order at 5:00 p.m.

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The roll was called and the following were present: Mayor Vargas, Mayor Pro Tem Baca Jr., Council Members Robertson, Scott and Palmer. Also present were City Administrator Garcia and City Clerk McGee.

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**CLOSED SESSION**

1. Conference with Legal Counsel – Existing Litigation. The City Council and Redevelopment Agency Board will discuss the following pending litigation pursuant to Government Code Section 54956.9(a):

(a) City of Rialto v. United States Department of Defense, et al.  
(United States District Court Case No. EDCV 04-00079)

(b) Paul Souza v. City of Rialto, et al. (Perchlorate)  
(San Bernardino County Superior Court Case No. CIVSS 708001)

2. Conference with Legal Counsel - Anticipated Litigation. Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: (One potential case)

## **CLOSED SESSION**

3. Conference with labor negotiator regarding the following recognized employee organization pursuant to Government Code Section 54957.6:

Agency negotiator: Brad Neufeld, Negotiator

Employee organization: All Bargaining Units

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Motion by Council Member Robertson, second by Council Member Scott and carried by unanimous vote to go into Closed Session.

City Council went into Closed Session at 5:03 p.m. and returned at 6:15 p.m.

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## **CALL TO ORDER**

Mayor Vargas called the meeting to order at 6:22 p.m.

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The roll was called and the following were present: Mayor Vargas, Mayor Pro Tem Baca Jr., Council Members Robertson, Scott and Palmer. Also present were City Administrator Garcia, City Attorney Gutierrez and City Clerk McGee.

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## **Pledge of Allegiance and Invocation**

Council Member Palmer led the pledge of allegiance and Pastor Harry Bratton – Greater Faith Grace Bible Church gave the Invocation.

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## **CITY ATTORNEY'S REPORT ON CLOSED SESSION**

City Attorney Jimmy Gutierrez stated that the City Council discussed all the matters listed on the closed session.

Item 1a, City of Rialto v. United States Department of Defense, pertaining to perchlorate contamination to the City's groundwater. Status report given, no action was taken.

Item 1b, Paul Souza v. City of Rialto, et al. pertaining to perchlorate contamination to the City's groundwater. Status report given, no action was taken.

Item 2, Conference with Legal Counsel - Anticipated Litigation. Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: (One potential case). No action was taken.

Item 3, Conference with Labor Negotiator. Council heard a report regarding discussions with all bargaining units. Direction was given but no action was taken.

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## **PRESENTATIONS**

City Administrator Henry Garcia gave a presentation regarding the PERS Tax.

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Mayor Pro Tem Baca Jr. asked that they address the issue with the pool closure survey.

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## **ORAL COMMUNICATIONS**

Sara Garcia, 245 E. First Street, stated that she doesn't agree with the closing of the pool for budget reductions.

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Sarah L. Richards, 651 S. Date St., expressed her concern that when she first signed up at the fitness center it was stated in the contract that she has use of the pool. If they close the pool it's breaking the contract and messing up her health routine.

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City Administrator Henry Garcia stated that the surveys have come in and his recommendation is to cease the concept and allow the pool to continue to stay open.

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## **CONSENT CALENDAR**

### **A. WAIVE FULL READING OF ORDINANCES**

1. Waive reading in full, all ordinances considered at this meeting.

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### **B. APPROVAL OF WARRANT RESOLUTIONS**

1. Resolution No. 46 (6/05/09)
2. Resolution No. 47 (6/12/09)

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### **C. APPROVAL OF MINUTES**

1. Regular RDA/RHA/RUA/City Council Meeting – June 9, 2009

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### **D. SETTING OF PUBLIC HEARINGS**

1. Request City Council to set a Public Hearing for the **July 14, 2009** City Council Meeting to consider and approve an application submittal to the U.S. Department of Housing and Urban Development for the Neighborhood Stabilization Program 2.

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## **CONSENT CALENDAR**

### **E. MISCELLANEOUS**

1. Request City Council to approve the First Amendment to the Uniform and Rug Services Agreement with Prudential Overall Supply in the amount of \$22,500 and extend services to June 30, 2011.
2. Request City Council to award an American Institute of Architecture Professional Services Agreement to Hirsch & Associates, Inc. for the Design of Margaret Todd Park Enhancement Project in the amount of \$34,665.
3. Request City Council to award an American Institute of Architecture Professional Services Agreement to Ian Davidson Landscape Architecture Inc. for design of the Citywide Bus Stop Enhancement Project in the amount of \$18,380 and adopt **Resolution No. 5726** amending the 2009-2013 Capital Improvement Program.
4. Request City Council to adopt **Resolution No. 5727** for the Traffic Calming Project on Linden Avenue at Carter High School in the amount of \$29,710.
5. Request City Council to approve the Notice of Completion for the Ramrod Sewer lift Station Replacement Project, Project No. 080501-00.
6. Request City Council to award a Contract for Electronic Waste Collection on Quarterly Free Dump Days.
7. Request City Council to extend the Independent Contractor Agreement for the Records Management Software Administrator.
8. Request the Redevelopment Agency to adopt **RDA Resolution No. 674** approving to extend the Redevelopment Agency Ownership for an additional five years of two vacant lots located at 144 and 146 S. Orange Avenue that were purchased with Agency's low and moderate income housing funds.
9. Request City Council to approve the fees pursuant to the Cal ID Contract with the County of San Bernardino for FY 2009/2010.
10. Request City Council to adopt **Resolution No. 5728** regarding Litigation Over Unconstitutional Diversion of Local Share of Motor Fuel (Gas) Tax

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Council Member Scott asked that item E-8 be removed for a separate vote due a conflict of him owning a business in the downtown area.

## **CONSENT CALENDAR**

Council Member Palmer stated that he needs to abstain from voting from Item E-8 due a conflict of him owning a business in the downtown area.

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Motion by Mayor Pro Tem Baca Jr., second by Council Member Scott and carried by unanimous vote to approve the Consent Calendar as presented with the exception of Item E-8.

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Council Member Scott and Council Member Palmer left the dais.

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## **E-8**

Motion by Mayor Pro Tem Baca Jr., second by Council Member Robertson and carried by a 3-0 vote to approve Consent Calendar Item E-8. Council Member Scott and Council Member Palmer abstained from voting.

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Council Member Scott and Council Member Palmer returned to the dais.

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## **NEW BUSINESS**

### **TAB 1 – First Amendment to Team Econolite Traffic Engineering and Maintenance Agreement**

Ahmad Ansari, Public Works Director stated that this is a request for City Council to approve the First Amendment to Team Econolite Agreement for maintenance and repairs for 19 additional traffic signals that are now owned and operated by the City. Team Econolite has been contracted with the City since June 2007 for the maintenance and repair of traffic signals which at that time was 55 throughout the City. Recently as a result of some new traffic signals and relinquishments of roadways 19 additional was added to the list for a total of 74. As part of the citywide effort to negotiate reduced contracts, Team Econolite was able to make certain adjustments in their services to save money in the City's general fund. The estimated annual cost for each traffic signal is \$3,000 per year. This would mean that \$57,000 is needed to amend their existing contract for a new total of \$211,450.84 for FY 09/10.

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Council Member Scott asked when did Econolite's contract end and stated so they didn't take this back out to bid?

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Ahmad Ansari, Public Works Director stated that their contract ends June 30, 2009 but has a provision to renew another year.

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## **NEW BUSINESS**

### **TAB 1 – First Amendment to Team Econolite Traffic Engineering and Maintenance Agreement**

Council Member Scott asked for an explanation on the decision to renew another year versus going out to bid.

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Ahmad Ansari, Public Works Director stated that they do a good job and are familiar with the systems. When they first discussed the additional traffic signals they were willing to discount their rates before the letter was sent out to all vendors requesting a reduction in rates.

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Council Member Scott asked did he know how many other companies there that do this type of work.

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Ahmad Ansari, Public Works Director stated that there are many out there that do traffic control.

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Council Member Scott asked if they have staff that goes around the City checking the various traffic signals. One of the issues he has is that there are a number of the LED signals that have bulbs out.

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Ahmad Ansari, Public Works Director stated that the LED's through Riverside were replaced several months ago. There are a few other locations that as time goes on they are working on them.

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Motion by Mayor Pro Tem Baca Jr., second by Council Member Palmer and carried by unanimous vote to approve First Amendment to Team Econolite Traffic Engineering and Maintenance Agreement for Maintenance and Repairs of 19 additional traffic signals owned by the City in the amount of \$57,000.

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### **TAB 2 – Services Contract for Water Chemical Analysis**

Ahmad Ansari, Public Works Director stated that this is a request to award a Service Contract to Clinical Laboratory of San Bernardino for Water Chemical Analysis. The City's public domestic water supply must be tested every year to assure compliance to health and safety standards. This both a requirement of the Department Of Health Services Permit and the mandate from California Code regulations Title 22. The City has been using an independent certified lab to perform these tests on an annual basis to meet the mandates mentioned.

## **NEW BUSINESS**

### **TAB 2 – Services Contract for Water Chemical Analysis**

Ahmad Ansari, Public Works Director stated that the current contract for the water quality testing expires June 30, 2009 and there is no renewal period. A request for Bid Proposals was issued and three companies submitted bids. There were questions and confusion from the bidders. Due to the time constraints Purchasing invited the three companies to come back and submit their best and final bids. Clinical Laboratory of San Bernardino was the lowest bidder at \$96,438. Funds are available in the Water Fund Account.

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Council Member Scott asked when this item came on the May 5<sup>th</sup> Agenda were all three companies listed in the staff report. Who was the low bidder at that time?

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Ahmad Ansari, Public Works Director stated yes. At the time Babcock and Sons for \$110,670.

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Council Member Scott asked who does the City currently contract with.

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Ahmad Ansari, Public Works Director stated that they currently contract with Clinical Laboratory.

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Council Member Robertson stated that she is concerned with the discrepancy that caused them to go back and need to make a final and best offer. It seems they didn't like the outcome so they changed and they end up back with Clinical Laboratory. Why did they go out to bid if they like the service of Clinical Laboratory?

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Ahmad Ansari, Public Works Director stated that they didn't have the option in the contract to extend their services. To answer the first question, the first time around on bids Babcock was \$110,000 and Clinical Laboratory was 111,000. There was one particular item that Babcock and Sons had a made an error coming up with numbers for intervals. When they multiplied their unit price with the incorrect number they had a much lower number. However, Clinical Laboratory calculated it correctly.

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Council Member Robertson stated however, this still gave Clinical Laboratory a chance to re-bid at a lower amount which doesn't seem fair. She has concerns and will not vote on this.

## **NEW BUSINESS**

### **TAB 2 – Services Contract for Water Chemical Analysis**

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Council Member Scott stated that he has the same concern with them going back out to bid and it doesn't look right. He doesn't understand this and he will vote against this item.

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Council Member Palmer stated for him to understand, they submitted information to the bidders and they all used the same correct information. One of the bidders took something out of context?

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Ahmad Ansari, Public Works Director stated no, there was one particular item that instead of coming up with say 12 wells at once a month which would be  $12 \times 12 = 144$ . Babcock came up with incorrect math and totaled it at 80 which in turn resulted in a low bid.

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Council Member Robertson asked how do the bidders know what was submitted and challenge an appeal. If they submitted a low bid because they miscalculated then they eat it if they want to go forward or you pull yourself all together. How do you point out the competitor calculated wrong? Unless it was something was incorrect in the initial City document.

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Mayor Pro Tem Baca Jr. asked the City Attorney if there are any legal ramifications or was there an incorrect bidding process.

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City Attorney Gutierrez stated that in any bid process the City staff has the opportunity to review the bids and if they are non-conforming then City staff can reject the bid. Once the bids are open all the contractors who bid on the project are privy to everyone else's bids. It's very common for the second and third bidders to protest the low bidder because it turns out there is an error. When they protest the City has the responsibility to see if the protest is valid. At that point they can throw out the bid, allow it to be corrected to show what it would be or they can throw them all out and re-bid. What staff did was say Babcock was wrong and threw out all the bids and let them re-bid. As a result everyone knew everybody's price and decided to come in lower in their price.

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## **NEW BUSINESS**

### **TAB 2 – Services Contract for Water Chemical Analysis**

Council Member Scott stated but they didn't re-bid it in a proper bid process.

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City Attorney Gutierrez stated with the same three bidders that bid they were allowed to submit a bid again and the effect was to get a lower bid.

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Council Member Scott asked why do they have a bid process if they allow this kind of stuff to go on.

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William Jernigan, Purchasing Manager stated that after discovering the error with the original bids they decided to do a best and final. They offered that to all of the three successful bidders who originally submitted the bids. Within the purchasing world it's allowable to have a "best and final". Being a public agency they have to disclose all of the bids to all of the suppliers so they know exactly what the bids were. The primary reason for doing the "best and final" because they knew of the economic climate that they were also asking them to keep in mind a 10%-15% discount when they came back with their bids.

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Council Member Robertson asked if they provided them with the request for a 10% reduction in the initial bid.

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William Jernigan, Purchasing Manager stated no it wasn't. It was brought up at the "best and final." They all reduced their costs based on the reduction they requested.

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City Attorney Gutierrez stated that this is not a Public Works bid but a bid under the City Ordinance. It doesn't state they have to reject all bids. So the process that was utilized was set by Ordinance and not State legislature. Therefore the process used was correct and reasonable. However if the City Council wants to reject them and start all over again then the City Council has the authority to do that.

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Council Member Scott called for the question.

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Mayor Vargas stated that they should table this item.

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## **NEW BUSINESS**

### **TAB 2 – Services Contract for Water Chemical Analysis**

Ahmad Ansari, Public Works Director stated that the concern they had was that their contract was going to expire June 30<sup>th</sup>. They feel they complied with the Ordinance for the "best and final" bid. Through that process they were able to save \$21,000 dollars.

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Council Member Palmer asked what is the timeline if they reject this and send it out to bid again. Do they go on a month to month basis with the current contractor.

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City Attorney Gutierrez stated that he is sure they can do this, to continue with the same contractor at the same rate.

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Ahmad Ansari, Public Works Director stated that one alternative is to put the current contractor, which is Clinical Laboratory, on a month to month basis. Bid it out again and bring it back to City Council.

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Motion by Council Member Robertson, second by Council Member Palmer and carried by unanimous vote to table the item.

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Council Member Robertson asked City Administrator to direct staff that if they are asking their existing vendors for a 10% reduction and there are currently open RFQ's then they should send an addendum now.

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### **TAB 3 – Construction Contract for Curb, Gutter, & sidewalk Project**

Ahmad Ansari, Public Works Director stated that this is to award a Construction Contract for the annual citywide curb, gutter & sidewalk project. Public Works regularly inspects and surveys all locations throughout the City for concrete improvements that are needed. Public Works maintains a list of all these locations. The locations are included in the CIP Program, depending on funding and then they are bid out. The contract tonight will address 35% of all the locations on the list. They received 12 bids and the lowest bidder was Elite Bobcat Service, Inc. in the amount of \$268,360.

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Motion by Mayor Pro Tem Baca Jr., second by Council Member Robertson and carried by unanimous vote award a Construction Contract to Elite Bobcat Service, Inc. for the Citywide Curb, Gutter & Sidewalk Project in the amount of \$268,360.

## **NEW BUSINESS**

### **TAB 4 - Services Contract for Janitorial and Park Clean-up Services**

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Ahmad Ansari, Public Works Director stated that this is a request to award a Service Contract for Janitorial and Park Clean Up Services. Public Works is the responsible department for managing the janitorial and park clean up for 62 city-owned and operated buildings and park facilities. The current janitorial services contract expires on June 30th. Four companies submitted bid and all were significantly higher than the city's budget. In order to bring the cost down, staff met with the bidders and requested the "best and final bid" to include a 10% discount. The bidders were also asked to propose any adjustments to the scope of work as long as there is no major impact on the level of service expectation by city operation. Two companies submitted "best and final" bids, General Building Maintenance and Rogan Building Maintenance. Funds are available in the building maintenance account and park maintenance account. The new contract with General Building Maintenance of \$204,000 will save the city 18%.

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Council Member Robertson asked who the current contractor is.

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Ahmad Ansari, Public Works Director stated that it is currently Bell Building Maintenance and they are not happy with their performance.

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Motion by Mayor Pro Tem Baca Jr., second by Council Member Palmer and carried by a 3-2 vote to award Services Contract to General Building Maintenance Company for Janitorial and Park Clean-up Services in the amount of \$204,000. Council Member Scott and Council Member Robertson voted NO.

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### **TAB 5 – First Amendment to the PSA for HUD Administration**

Larry Thornburg, Recreation and Community Services Director stated that this is a request to amend and extend LDM's contract. They currently have a contract with LDM & Associates to provide Community Development Block Grant Administration Services and the contract does allow for a one year extension based on satisfactory performance. Rudy Munoz from LDM & Associates has been providing outstanding services in keeping the CDBG program in compliance with HUD. In addition to the \$1.3 million they will be receiving in their annual CDBG allocation for next year they will also be receiving HUD funding for three new programs. One is approximately \$5.5 million in neighborhood stabilization funds. At the next City Council they will ask City Council to apply for an additional \$10 million.

## **NEW BUSINESS**

### **TAB 5 – First Amendment to the PSA for HUD Administration**

Larry Thornburg, Recreation and Community Services Director stated that the second program will be receiving half a million dollars in homeless prevention and rapid recovery funds. That RFP is currently out for that program. They will be receiving another \$357,000 in CDBG recovery funds. In addition to the new program the funding they will be receiving will be time for then to prepare a five year CDBG consolidated plan and a five year analysis of impediments. The Amendment to the Professional Services Agreement will be in the amount of \$232,500 paid by the grants.

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Council Member Scott asked what LDM's total cost was last year.

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Larry Thornburg, Recreation and Community Services Director stated that for their annual CDBG management the fee was \$110,000.

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Council Member Scott asked if they paid the additional fees last year.

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Larry Thornburg, Recreation and Community Services Director stated that none of the additional fees were paid last year, there are new programs.

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Council Member Scott stated as with all Contractors did they ask LDM for a price reduction?

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Larry Thornburg, Recreation and Community Services Director stated yes they did with regards to the annual CDBG program, they have agreed to reduce their fee. From \$110,000 to \$105,000. LDM said they couldn't do 10% but they can do 5%.

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Mayor Pro Tem Baca Jr. stated that the contract may be more but the City is receiving more grants to manage.

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Motion by Mayor Pro Tem Baca Jr., second by Council Member Palmer and carried by unanimous vote to approve the First Amendment to the Professional Services Agreement with LDM Associates for CDBG and HUD Administration consulting services in the amount of \$232,500.

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### **NEW BUSINESS**

#### **TAB 6 – Amendment No. 1 to the Exclusive Right to Negotiate Agreement with Fernando Acosta**

Robb Steel, Economic Development Director stated that In January they entered into an Exclusive Right to Negotiate Agreement with Fernando Acosta for potential redevelopment of a 3.3 acre site which consists of the existing Fire Station 202 and surplus Caltrans properties that the City and the Agency acquired. That agreement has been in affect for six months and during that time Fernando Acosta and the Agency staff have been working to secure restaurant for the location and possibly a hotel to compliment that restaurant. They have had letters of proposals exchanged between the parties but they have not completed those negotiations to present a Disposition and Development Agreement. They have requested pursuant to an extension amendment to extend the term of the ERN until December 31, 2009. They hope during that 6 month period they work out the final detail with the restaurant and possibly the hotel developer to bring back formal agreements.

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Mayor Pro Tem Baca Jr. stated it's great they are still looking to be more economically viable in the City. This is great progress despite economic times they continue to move forward.

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Motion by Council Member Robertson, second by Council Member Scott and carried by unanimous vote to adopt **RDA Resolution No. 675** approving Amendment No. 1 to the Exclusive Right to Negotiate Agreement with Fernando Acosta for the Development of 3.3 acres of property located on the northeast corner of Riverside Avenue and Highland Avenue.

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Mr. Fernando Acosta stated that he is looking forward to finalizing negotiations with the interested parties.

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#### **TAB 7 – Purchase and Sale Agreement with Western Strategies**

This item was removed from the Agenda.

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#### **TAB 8 – Assignment and Assumption Purchase and Sale Agreement for acquisition of 340 and 359 W. Jackson St.**

Robb Steel, Economic Development Director stated that this is consideration and approval of a Resolution approving an assignment and assumption purchase and sale agreement for the purchase of two properties in the West Jackson neighborhood and approving an interim Management Agreement with Southern California Housing Resource and Development to manage those units after acquisition.

## **NEW BUSINESS**

### **TAB 8 – Assignment and Assumption Purchase and Sale Agreement for acquisition of 340 and 359 W. Jackson St.**

Robb Steel, Economic Development Director stated that in April 2008 the Agency entered into an Exclusive Right to Negotiate Agreement with Southern California Housing Resource and Development (SCHRD) to undertake, acquisition and rehabilitate and affordable rental housing project in one of several neighborhoods in the City. After considerable investigations of neighborhoods they identified the West Jackson as an area of interest. The Developer went out and identified foreclosed properties and make offers on those properties. 340 and 359 W. Jackson were bank owned properties so offers were made and accepted. The properties were built in 1964 and consist of a four-plex. These two properties are both empty at the moment so there are no relocation obligations. For 340 W. Jackson St. the Housing Authority will assume the purchase contract and the price of \$240,000. Title will be conveyed to the Housing Authority through the Assignment Agreement. Staff recommends a total budget of \$250,000 including acquisition and related transaction costs. For 359 W. Jackson St. the property was owned by Wells Fargo Bank. Aurora Loan was the prior property lender. The price is \$234,000. Staff recommends a total budget of 244,000 including acquisition and related transaction costs. Quality Management will manage these projects on an interim basis until they assemble enough properties to undertake a project. The mission is to not just buy these two properties but to acquire other units in the neighborhood. There are a total of 15 four-plexes, 60 units. This gives them two four-plexes and eight units under their control. They are making other offers in that neighborhood utilizing the Neighborhood Stabilization Program Funds to acquire units. Total amount for this acquisition is \$494,000 from the RDA Low/Mod Housing Fund and transferring it to the Housing Authority.

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Mayor Pro Tem Baca Jr. asked what have they done to work with the Police Department to address some of the issues in that neighborhood. He is looking at the long term for West Jackson St. He is tired of getting calls for service and resources. He is tired of the illegal dumping that goes on there. He is tired of the blight that goes on in the community. Also, if they feel SCHRD is not meeting the requirements can they terminate the contract at any time?

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Robb Steel, Economic Development Director stated at the moment they don't have an Affordable Housing Agreement with the Developer yet, they are negotiating. It's a classic prisoners dilemma if you're a good landlord in a bad neighborhood they are constrained by what others do around you.

## **NEW BUSINESS**

**TAB 8 – Assignment and Assumption Purchase and Sale Agreement for acquisition of 340 and 359 W. Jackson St.**

Robb Steel, Economic Development Director stated that their goal is to improve the management system to address the social break down. They have done periodic sweeps with the Police Department. The Housing Authority has put money into those exercises. In talking with the Police Chief it's a constant battle and sometimes they move people around by virtue of their tax on neighborhoods. If they go in and aggressively hit West Jackson St., sometimes they move to East Jackson or Shamrock Ave. or someplace else in the City. He knows its a complex problem and they try to address it the best way they can.

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Mayor Pro Tem Baca Jr. asked if they continue to have a problem on West Jackson St. is it a possibility to put a park.

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Robb Steel, Economic Development Director stated that the only thing they would have to address is the economics when they acquire property and they clear out the houses they have to pay to relocate all the occupants and then the law also obligates them to replace all those demolished housing units on a one for one basis. They have to rebuild them someplace else or acquire units someplace else.

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Council Member Palmer stated that this is a step in the right direction and hopes they can clean up the area and get back to a thriving community.

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Mayor Vargas asked if this project is like the Winchester Project.

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Robb Steel, Economic Development Director stated that it's their goal and they are trying to work the developer to get voluntary acquisitions from lenders. They took a much more aggressive approach with Citrus Grove where they condemned all the properties.

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Mayor Vargas stated that Citrus Grove turned out beautiful but she is concerned that that there are problems there now where PD has to go out and address it. How did this happen and how can they monitor this area.

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## **NEW BUSINESS**

### **TAB 8 – Assignment and Assumption Purchase and Sale Agreement for acquisition of 340 and 359 W. Jackson St.**

Robb Steel, Economic Development Director stated that they did have problems with Citrus Grove and they have met with the Police Department and the Onsite and Offsite Management. They adopted an action plan and implemented many of the steps and corrected most of the critical problems.

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Mayor Pro Tem Baca left the dais.

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Police Chief Mark Kling stated that RDA has done a really good job of gaining the cooperation from National CORE and addressing the issues at Citrus Grove. They had serious concerns on the direction the project was going in. They have addressed a number of issues primarily they are holding the tenants they are renting to more accountable and taking a more proactive role in policing the area themselves. They address it when they find tenants loitering or doing things they shouldn't be doing, congregating in the parking areas. They have made a better effort in gaining cooperation from the residents so they have seen a reduction in the calls for service. Overall six weeks ago there was more of a concern but RDA has done good job of getting National CORE to work with PD to eliminate issues.

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City Attorney Gutierrez stated that the Agreement in the package has been changed. Sections 1, 3, 6 have been changed due to some title problems that came up in the preliminary title report. The agreement is such that they will not go forward with this project unless they get a title policy that corrects issues in the title.

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Motion by Council Member Robertson, second by Council Member Palmer and carried by a 4-0 vote to adopt **RDA Resolution No. 677** and **RHA Resolution No. 0006-09** approving an Assignment and Assumption Purchase and Sale Agreement for the acquisition of 340 and 359 W. Jackson Street and approving an Interim Management Agreement with Southern California Housing Resource and Development (SCHR). Mayor Pro Tem Baca Jr. was absent.

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Mayor Pro Tem Baca Jr. returned to the dais.

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## **NEW BUSINESS**

### **TAB 9 – Second Amendment to PSA with Environmental Impact Sciences for preparation of EIR**

Mike Story, Development Services Director stated that in November 2005 the City Council awarded a Contract in the amount of \$449,920 to Environmental Impact Sciences to prepare an Environmental Impact Report addressing the proposed development of the Lytle Creek Ranch Specific Plan. In July 2008 Amendment No1 was approved by the City Council bring the total Contract amount to \$624,920. Certain increased costs have and will be incurred by EIS which will require supplemental funding by Lytle Creek. The Amendment and the listing of the work to be completed with associated costs are enclosed for City Council consideration and review. The total increase to the previously approved Contract amount is \$150,000. The amount has been received by the Development Services Department by the applicant to cover the amended Contract amount with no cost to the City's General Fund.

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Motion by Mayor Pro Tem Baca Jr. second by Council Member Scott and carried by unanimous vote to approve Second Amendment to the Professional Services Agreement with Environmental Impact Sciences for preparation of an Environmental Impact Report (EIR) and related documents for the proposed development of an approximate 1,725 acre Residential Specific Plan proposed by Lytle Creek LLC increasing the contract price from \$624,920 to \$774,920 and adopt budget **Resolution No. 5729.**

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## **UNFINISHED BUSINESS**

### **TAB 10 - Ordinance No. 1450 – Permitted Uses – Second Hand/Thrift Stores**

### **ORDINANCE NO. 1450**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY  
OF RIALTO, CALIFORNIA, AMENDING CHAPTER 18.06  
OF THE RIALTO MUNICIPAL CODE MODIFYING  
SUBSECTION 18.66.030 (R) PERMITTED USES –  
SECOND HAND/THRIFT STORES**

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Motion by Council Member Robertson, second by Council Member Scott and carried by unanimous vote to adopt Ordinance No. 1450. The vote was AYES: Mayor Vargas, Mayor Pro Tem Baca Jr., and Council Members: Robertson, Scott and Palmer. NOES: none. ABSTAIN: none. ABSENT: none.

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## **ORAL COMMUNICATIONS**

Danny Osborne, Elite Boxing Academy, invited everyone to an amateur boxing event June 25<sup>th</sup>, first fight is at 7:00 p.m.

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Larry Singleton, Rialto resident, expressed his concern regarding loud music played from boom boxes and cars throughout the community.

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Don Haggart, 464 N. Willow Ave., expressed his concern regarding half the households paying for the perchlorate issue for the whole City and will they be getting a refund. He also expressed his concern regarding Code Enforcement.

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Council Member Robertson stated that she had forwarded his e-mail to staff and they acknowledged that they were looking into his concern. With regard to the perchlorate it is time to look at and suspend the surcharge. They suspended the legal action and she is certainly not in agreement to keep collecting the surcharge but she is only one of five votes. She doesn't know if they are at a point to refund but it's something they should think about.

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Council Member Scott stated that he referred to a \$3 million grant from the County. To his knowledge they haven't received any grant from the County of San Bernardino. They have received grants from the State, Regional water Quality Control Board and the use of the grants are restricted and can only be used for actual equipment to be installed in the field to clean up the water. The one thing they have done with the County is file suit against them and made a settlement. Well #3 is by the Airport and they have clean-up equipment at that Well that will cost the County of San Bernardino \$60 million over the next 25 years. In addition to that there is a \$4 million payment to the City as part of the overall settlement. That money is currently in a trust account pending approval by the Regional Water Quality Control Board and a Federal judge in Los Angeles. They expect that money to be approved in the next 60 days. None of them are happy at the fact that the other water agencies in the City did not choose to participate in the litigation. They cannot force them to participate although they have asked them numerous times. The City of Colton is another party in this and they have their own litigation going and he is not sure how they are paying for it. They have requested the 160 acre site be listed with EPA as a superfund site which should be completed in September. Unfortunately the Well in front of Mr. Haggart's house is part of that listing.

## **ORAL COMMUNICATIONS**

Council Member Scott stated that he apologized to Mr. Haggart at the last meeting for his inconvenience. He talked to the EPA and they said they did not feel comfortable moving the location of that Well. They felt it was important that it was in that specific area. He agrees they could have expedited the drilling and is happy staff took care of that. There has been an interest in the money and was done by the City's outside auditors. The money spent on the lawsuit is substantial and the lawsuit is currently suspended. The City Council made a decision to suspend the lawsuit and offer the responsible parties the opportunity to come to the table and pay for the clean up. It's always been the position of the City Council that when they recovered money those fees will be reimbursed to the residents. They did want to use the \$4 million from the County for reimbursements. He appreciates the burden put on residents but the reality is that the City of Rialto had to move forward. They have put filters on every Well and they have clean up systems in place and have done more than any other water agency on dealing with the contamination in the City. They are the only water agency that is impacted above regulatory levels to the point where they have had Wells shut down because of the contamination. They currently test the water on regular basis to ensure that no contaminated water is served to any resident. The City has done a very good job handling this. He does know the situation on Ramona St. it's a bad area and it's one of the number one calls for police service. He believes they are doing a number of things to address it. He encourages Mr. Haggart to talk to Police Chief Mark Kling or one of the Captains because the issues are not going un-noticed. As far as the stuff in the alley there is no reason Code Enforcement can't address those issues. He directed staff to deal with what was seen in the photo.

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Council Member Palmer stated that he hopes Mr. Haggart appreciates the expertise of Council Member Scott on the perchlorate issue. He has been in Rialto for 47 years and he owns property in the City. He pays approximately \$3000 a year on his perchlorate charges so he hopes they do get a refund someday. He appreciates Mr. Haggart's concern and interest in the City. "Felony Flats" is an area he has known about since he was in school. It's an area east side of town called the bench area which is in San Bernardino and not in Rialto.

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Mr. Haggart stated that he wishes the notification for the Well was given to him earlier so he can work with someone in the City about moving the Well because the street has been a total disaster for over a month.

## **ORAL COMMUNICATIONS**

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Council Member Scott stated that the EPA is going to take over this clean up and the last thing Rialto wants to do is micro manage the project. They have discussed possible relocations but it's not like they didn't try to do something for Mr. Haggart.

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Mayor Pro Tem Baca Jr. thanked Council Member Scott for clarifying the big picture because this is a long term problem. Unfortunately they have to invest money to address this issue and hopefully they will find an end.

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Mayor Vargas apologized to Mr. Haggart for his inconvenience.

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## **REPORTS**

Council Member Robertson stated that she would like to see a recap of where they are in the perchlorate surcharge money collected and expenditures. They also need to talk about suspending it or if they know of some finite anticipated expenses.

Council Member Robertson congratulated Senior Planner Gina Gibson's daughter who graduated from Bloomington Middle School Nairobi Antonia Watson with a 3.99 GPA.

Council Member Robertson left the dais at 9:05 p.m.

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Council Member Scott wished Council Member Robertson a Happy Birthday.

Council Member Scott stated that he is also interested in knowing precisely how much money they have in the perchlorate fund.

Council Member Scott stated that he would like a report on their bidding and purchasing practices. There seems to be some inconsistencies on how they are doing business right now. He wants to know how they arrived at the decision of some contracts having extensions and others do not. He personally thinks the City should be consistent in all of its contracts and its okay to go out and bid projects even when people are doing a great job. Additionally he's going to be asking as a member of the budget committee he is going to be asking for an audit of the purchasing and bidding practices of the Public Works Department.

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## **REPORTS**

Council Member Palmer stated that his son, a kicker, is trying to get in the NFL. He rated No.1 in the Long Beach Combine and was invited to Indianapolis. He was the first ever in an NFL Combine to not miss a kick and was ranked No.1 in the Nation. Hopefully he makes an NFL team shortly.

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Mayor Pro Tem Baca Jr. wished Council Member Palmer's son good luck.

Mayor Pro Tem Baca Jr. wished Victor Butler good luck who was drafted to the Dallas Cowboys.

Mayor Pro Tem Baca Jr. attended the Rialto Eastern Little League Closing Ceremony. He congratulated Julie Garcia for the fine work they have done and good luck in the All Star Season.

Mayor Pro Tem Baca Jr. stated that he attended the Rialto North Little League Closing Ceremony. He congratulated Janis Strong for her league and the best of luck in the All Star Season.

Mayor Pro Tem Baca Jr. stated that he had the opportunity to speak to some kids Legends by Lang Football Camp at Arroyo Valley High School which many Rialto students attend. Former NFL Running Back David Lang was from Rialto and he attended Eisenhower High School and was with the Dallas Cowboys.

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Mayor Vargas stated that she did a ride along this past weekend with Bob Watson, Code Enforcement Supervisor. Code Enforcement is working hard cleaning up the City.

Mayor Vargas stated that she did a ride along with the Fire Department Paramedics. It was interesting and she commended on what a great job they do.

Mayor Vargas stated that she has ride-alongs set up with the Police Department and Public Works. She learns a lot from these ride-alongs. Many residents call regarding an issue and she likes to go down there with staff.

Mayor Vargas congratulated her Grandson Thomas Lujan from Redlands High School.

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## **ADJOURNMENT**

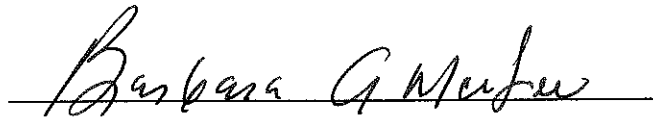
Motion by Mayor Pro Tem Baca Jr., second by Council Member Palmer and carried by a 4-0 vote to adjourn the City Council Meeting. Council Member Robertson was absent.

The City Council adjourned at 9:20 p.m.

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MAYOR GRACE VARGAS

**ATTEST:**

  
CITY CLERK BARBARA A. MCGEE